



MD-01-7

The Secretary of Energy
Washington, DC 20585

October 10, 1997

The Honorable William S. Cohen
Secretary of Defense
Washington, D.C. 20301

Dear Mr. Secretary:

The Congress recently sent to the President for signature the Energy and Water Development Appropriations Act, 1998. Among other provisions, this bill would immediately transfer responsibility for the Formerly Utilized Sites Remedial Action Program (FUSRAP) from the Department of Energy to the United States Army Corps of Engineers. Assuming that this transfer becomes law, but without prejudging the President's decision, the Department of Energy will work with the Corps to ensure a prompt and smooth transition, consistent with the wishes of the Congress.

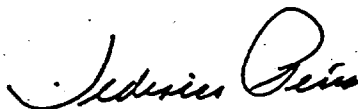
Should this provision become law, the Department of Energy's lands, property access rights, cleanup responsibilities, claims and liabilities related to FUSRAP will transfer to the Corps by operation of law. A list of affected sites, including currently known potential sites and completed sites (some of which require continued monitoring and other activities) is enclosed. A number of legal instruments, such as environmental permits and cleanup agreements established with the Environmental Protection Agency and state regulators for various FUSRAP sites, will need to reflect the Corps' role as successor to the Department of Energy. I have directed my staff to work with the Corps and regulatory agencies to ensure that these conforming changes are completed as quickly as possible.

In the conference report accompanying this legislation, the Congress recognized that FUSRAP is conducted for the Department of Energy by contractors, and expressed the expectation that the program would continue within the existing contract framework during the terms of the current contracts, with minimal disruption in operations. To facilitate that goal, I have directed the Manager of the Department's Oak Ridge Operations Office to assign the FUSRAP contracts to the Corps if, and as soon as, the transfer is signed into law.

The Department is close to a final settlement with W. R. Grace & Co. regarding Grace's liability for cleanup costs at the Wayne, New Jersey, FUSRAP site. The transfer of the program means it will no longer be appropriate for the Department to continue these negotiations. Our Office of General Counsel is prepared to brief your lawyers on the status of the negotiations with Grace so that the Corps can, if it wishes, promptly conclude those negotiations.

Although I did not support the proposal to transfer responsibility for FUSRAP from the Department of Energy to the Corps, I want to assure you that the Department stands ready to assist the Corps in assuming its new responsibility with the dispatch and efficiency anticipated by the Congress. I have asked Deputy Secretary Elizabeth A. Moler to lead the Department's efforts in this regard. She may be reached at 202-586-5500.

Sincerely,

A handwritten signature in cursive script, appearing to read "Federico Peña".

Federico Peña

Enclosure

ENCLOSURE

FORMERLY UTILIZED SITES REMEDIAL
ACTION PROGRAM (FUSRAP)

Current Sites

<u>Site Name</u>	<u>City and State</u>
Latty Ave. Properties	Hazelwood, Missouri
St. Louis Airport	St. Louis, Missouri
Vicinity Properties	Hazelwood & Berkeley, Missouri
St. Louis Downtown Site	St. Louis, Missouri
DuPont	Deepwater, New Jersey
Maywood	Maywood, New Jersey
Wayne	Wayne, New Jersey
Middlesex Sampling Plant	Middlesex, New Jersey
Ashland 1	Tonawanda, New York
Ashland 2	Tonawanda, New York
Seaway Industrial Park	Tonawanda, New York
Linde Air Products.	Tonawanda, New York
Niagara Falls Storage Site	Lewiston, New York
Colonie	Colonie, New York
Bliss & Laughlin Steel	Buffalo, New York
Luckey	Luckey, Ohio
Painesville	Painesville, Ohio
CE Site	Windsor, Connecticut
Madison	Madison, Illinois
Shpack Landfill	Norton, Massachusetts
W.R. Grace	Curtis Bay, Maryland

Currently Known Potential New Sites

<u>Site Name</u>	<u>City and State</u>
Apollo-Parks Township	Apollo, Pennsylvania
Clevite	Cleveland, Ohio
D.H. Makepeace	Massachusetts
Metals & Controls	Attleboro, Massachusetts
Sylvania Corning	Bayside, New York
Harshaw	Cleveland, Ohio
Bloomfield	Bloomfield, New Jersey
Electromet	Niagara, New York
Simond Saw (Guterl Steel)	Lockport, New York
Superior Steel	Pittsburgh, Pennsylvania

Magnus Metal
Colorado School of Mines
Horizons
CANEL Facility
Fansteel Metallurgical Corp.
Bendix-Eclipse-Pioneer
West Lake Landfill
University of Rochester

Cincinnati, Ohio
Golden, Colorado
Cleveland, Ohio
Middletown, Connecticut
Chicago, Illinois
Teterboro, New Jersey
Bridgeton, Missouri
Rochester, New York

Completed Sites

<u>Site Name</u>	<u>City and State</u>
Kellex/Pierpont	Jersey City, New Jersey
Acid/Pueblo Canyon	Los Alamos, New Mexico
Bayo Canyon*	Los Alamos, New Mexico
University of California	Berkeley, California
Chupadera Mesa	White Sands Missile Range, New Mexico
Middlesex Municipal Landfill	Middlesex, New Jersey
Niagara Falls Storage Site	
Vicinity Properties*	
University of Chicago	Lewiston, New York
National Guard Armory	Chicago, Illinois
Albany Research Center	Chicago, Illinois
Elza Gate	Albany, Oregon
Seymour Specialty Wire	Oak Ridge, Tennessee
Baker & Williams Warehouses	Seymour, Connecticut
Granite City Steel	New York, New York
Aliquippa Forge	Granite City, Illinois
C.H. Schnoor	Aliquippa, Pennsylvania
Alba Craft Laboratory	Springdale, Pennsylvania
HHM Safe Company	Oxford, Ohio
Associate Aircraft	Hamilton, Ohio
B & T Metals*	Fairfield, Ohio
Baker Brothers*	Columbus, Ohio
General Motors*	Toledo, Ohio
Chapman Valve*	Adrian, Michigan
Ventron*	Indian Orchard, Massachusetts
New Brunswick Laboratory*	Beverly, Massachusetts
	New Brunswick, New Jersey

* Administrative activities, surveillance and maintenance, or other activities are still needed at these sites.

Wayne VP's
Haywood VP's
Maryland VP's
Middlesex VP's